



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

April 29, 2014

Fiscal Year 2013 Conference Costs

Report Number DP-AR-14-003

BACKGROUND:

Recent inspector general reports highlighted excessive conference spending by federal agencies, including the General Services Administration and the Department of Veteran Affairs. As a result, new laws were passed and the Office of Management and Budget issued guidance to create transparency in conference spending in the federal government. In response, federal agencies established programs to identify, track, reduce, and report conference spending. The U.S. Postal Service is not required to comply with these laws, but compliance is important to ensure conference expenditures are reasonable.

Our objective was to determine whether the Postal Service properly monitored and accounted for conference costs in fiscal year (FY) 2013.

WHAT THE OIG FOUND:

The Postal Service should improve its monitoring of and accounting for conference costs. Specifically, the Postal Service was unable to immediately identify the number of FY 2013 conferences and their associated costs because management did not have a process to accurately identify conference costs.

The Postal Service reported \$4.2 million for FY 2013 in the expense account "Meetings and Conferences." However,

the account does not identify which expenditures are associated with conferences rather than meetings. Therefore, the controller polled the Postal Service functional areas and identified two conferences costing in excess of \$100,000. This is the threshold the Office of Management and Budget set for public reporting of conference expenses. The two conferences totaled \$243,379, and we did not identify any inappropriate expenditures.

We reviewed detailed Postal Service accounting records, supporting documentation, journal vouchers, travel card transactions, and contracts and did not identify any additional conferences costing more than \$100,000 or any inappropriate conference costs in FY 2013. During our review of the various transactions we did identify \$17,318 of conference travel improperly classified as training expenses.

WHAT THE OIG RECOMMENDED:

We recommended the Postal Service implement procedures to record, identify, and account for all conferences exceeding \$100,000, including associated travel. Also, it should clarify policies and procedures regarding proper recording of conference travel expenses and correct \$17,318 of misclassified expenses.